



STATE MINING AND GEOLOGY BOARD

EXECUTIVE OFFICER'S REPORT

For Meeting Date: September 8, 2011

Agenda Item No. 15: Presentation of a 2011 SMARA Surface Mine Inspection Report for One Surface Mining Operation for Acceptance Consideration by the State Mining and Geology Board.

INTRODUCTION: The State Mining and Geology Board (SMGB) serves as the lead agency under SMARA for forty-five (45) individual surface mining operations, including operations located in three counties (Alpine County, El Dorado County and Yuba County), eight (8) San Francisco Bay marine dredging operations, and seven (7) cities that do not have mining ordinances. A SMARA inspection report for one surface mining operation is being presented for acceptance consideration.

MINE INSPECTION REPORTS FOR THE SMGB'S ACCEPTANCE CONSIDERATION: The 2011 SMARA mine inspection report to be presented at the SMGB's September 8, 2011, regular business meeting for acceptance consideration is as follows:

- Priest Grade Pit (CA Mine ID# 91-55-0008), County of Tuolumne

A summary of violations, corrective measures and inspector's recommendations for the above surface mining operation is presented below.

Priest Grade Road (CA Mine ID# 91-55-0008), County of Tuolumne:

No violations were noted at time of inspection on June 17, 2011.

Two corrective measures are noted:

1. A current financial assurance cost estimate that reflects existing volumes of topsoil stockpiled on site does not exist. Additionally, it has been more than one two years since a revised financial assurance cost estimate calculation has been provided to the SMARA lead agency.
2. Based on observed site conditions it appears that the Priest Grade Pit may be considered idle as defined by PRC Section 2727.1.

The following recommendations are offered:

1. A revised financial assurance cost estimate should be provided to the SMARA lead agency (County of Tuolumne) per CCR Section 3804(c).
2. If the operators intend to continue mining operations at the Priest Grade Pit, then an Interim Management Plan (IMP) should be provided to the SMARA lead agency for



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review and approval consideration per PRC Section 2770(h). Alternatively, if there is no intent to resume mining, then reclamation activities should commence.

EXECUTIVE OFFICER'S RECOMMENDATION: The Executive Officer recommends that the SMGB accept the 2011 SMARA mine inspection report, and transmit the findings contained therein to the SMARA lead agency and mine operator.

SUGGESTED MOTION LANGUAGE:

To accept the 2011 SMARA surface mine inspection report:

Mr. Chairman, in light of the information before the SMGB today, I move that the SMGB accept the 2011 SMARA mine inspection reports for the Priest Grade Pit (CA Mine ID No. 91-55-0008) as complete, and transmit the findings to the SMARA lead agency and the mine operator.

Respectfully submitted:

Stephen M. Testa
Executive Officer